STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 2003-551

December 22, 2003

KENNEBUNK, KENNEBUNKPORT & WELLS WATER DISTRICT Proposed Tariff Revision Concerning System Development Charges

**ORDER** 

WELCH, Chairman; DIAMOND and REISHUS, Commissioners

## I. SUMMARY

We approve a revision to the Schedule of System Development Charge (SDC) for the Kennebunk, Kennebunkport & Wells Water District (District). This revised charge will apply to all new customers, and existing customers who increase their meter size. The charge does not apply to municipal or private fire protection service.

# II. BACKGROUND

On July 31, 2003, the District filed revised rate schedules pursuant to 35-A M.R.S.A. §§ 307 and 6107 related to its System Development Charge, proposed to become effective July 31, 2003. The filing updated the District's existing System Development Charge for all new customers or existing customers who increase their demand for water as measured by an increase in the size or number of meters. The filing exempts all fire protection service from the SDC. The Commission suspended the schedules to allow Commission Staff further time to review them. The District, after several discussions with Commission Staff, filed a revised Schedule of System Development Charge on December 18, 2003. The revised schedule consists of Sheets 1 through 3 - all Fourth Revision.

## III. DECISION

The filing allows the District to update its SDC for new customers or customers who increase their meter size. The SDC for each meter size through 1½" has been determined as described in Exhibit 1 attached to this Order. The SDC for meters 2" and larger will be calculated, using the same method, based upon the District's estimate of the consumption at that location (this charge will be adjusted after 3 years of service, based upon the average usage during the 2<sup>nd</sup> and 3<sup>rd</sup> years).

The District, in this update, has adopted the methodology used to calculate the System Development Charges for the York Water District (Docket No. 2002-432) and the Vinalhaven Water District (Docket No. 2003-047). The Commission, after review,

found the methodology to be just and reasonable in both cases because it fairly apportions the cost impact of serving new customers based upon meter capacity and customer usage. We find the updated method of calculating the System Development Charges and the charge to be just and reasonable and will approve them. We, therefore, will allow the rate schedules to go into effect on January 1, 2004.

Accordingly, we

## ORDER

1. That the Kennebunk, Kennebunkport & Wells Water District Revised Schedule of System Development Charge, consisting of Sheets 1 through 3 – all Fourth Revision, filed on December 18, 2003, shall become effective on January 1, 2004.

Dated at Augusta, Maine, this 22<sup>nd</sup> day of December, 2003.

BY ORDER OF THE COMMISSION

Dennis L. Keschl Administrative Director

COMMISSIONERS VOTING FOR: Welch

Diamond Reishus

## NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

- 1. <u>Reconsideration</u> of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
- 2. <u>Appeal of a final decision</u> of the Commission may be taken to the Law Court by filing, within **21 days** of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Appellate Procedure.
- 3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.